



**THE REAL AUTOMOBILE FINANCE AND INSURANCE CONSULTING COMPANY (PTY) LTD and its
associated companies
(Hereinafter referred to as "TRAFICC")**

Registration Number of Company: 2004/017525/07

Treating Customers Fairly Policy (TCF)

Policy on Treating Customers Fairly (TCF)

The aim of this statement is to detail TRAFICC'S policy with regard to the fair treatment of its customers and the processes of putting customers' interests at the heart of the business, in accordance with the introduction of the Financial Sector Conduct Authority (FSCA) initiative on Treating Customers Fairly.

INTRODUCTION

The Treating Customers Fairly (TCF) initiative is a key component of the Financial Sector Conduct Authority's (FSCA) broader consumer protection and market conduct mandate. TCF is an outcomes-based regulatory and supervisory approach designed to ensure that specific, clearly articulated fairness outcomes for financial services consumers are delivered by regulated financial firms.

At TRAFICC, our focus on client centricity has become deeply engrained in our business philosophy, ethos and culture. This focus is boldly evidenced through the incorporation and embedding of the principles of Treating Customers Fairly ("TCF") in the end-to-end client value chain.

PURPOSE

The Financial Services Conduct Authority (FSCA) prescribed 6 outcomes which are applicable to TRAFICC to ensure the fair treatment of clients and potential clients when providing financial services to such clients. Clients are valuable assets of TRAFICC and we must at all times aim to protect the interests of our clients from the very first contact with such client and throughout the intermediary process. We furthermore endeavor to meet clients' expectations and ensure the fair treatment of our clients by means of ensuring that the best, most suitable and ongoing high-quality of financial services is provided to our clients.

REGULATORY REQUIREMENTS

All organisations, specifically those authorised under the FSCA, are required to embed the TCF principles in governance processes, frameworks and furthermore to demonstrate that they measure their behaviour against these key principles, to manage conduct risks and protect their customers.

The fair treatment of clients is centered on the following 6 outcomes laid down by the FSCA:

- Outcome 1:** Consumers can be confident that they are dealing with firms where the fair treatment of Clients is central to the corporate culture.
- Outcome 2:** Products and services marketed and sold in the retail market are designed to meet the needs of identified consumer groups and are targeted accordingly.
- Outcome 3:** Clients are provided with clear information and kept appropriately informed before, during and after the point of sale.
- Outcome 4:** Where consumers receive advice, the advice is suitable and takes account of their circumstances.
- Outcome 5:** Consumers are provided with products that perform as firms have led them to expect, and the associated service is of an acceptable standard and as they have been led to expect.
- Outcome 6:** Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a Complaint.

TRAFICC'S TCF STANDARD PER OUTCOME

OUTCOME 1 - THE CULTURE OF TRAFICC

Policyholders can be confident that they are dealing with an insurer where the fair treatment of policyholders is central to the insurer's culture.

TRAFICC is a customer service orientated business. We exist because of our clients and their customers; hence we are driven to provide exceptional service. We offer relevant products to the end customer and pay their legitimate claims efficiently. We deliver a solution to our clients that is brand enhancing and allows them to enter the insurance industry in the most cost-effective manner. We do all of this while still delivering decent returns to our shareholders. We strongly believe that we are here to nurture and develop the passionate and talented TRAFICC team that we have built up. We do all of this under the regulatory framework of the FSCA, while passionately delivering on the concept of Treating Customers Fairly.

We therefore ensure that processes are in place to analyse and act on Management Information (MI) findings to continually improve outcomes for both our clients and their customers.

OUTCOME 2 - TRAFICC'S APPROACH TO PROMOTING/DESIGNING AND CREATING PRODUCTS.

Products are designed to meet the needs of identified types, kinds or categories of policyholders and are targeted accordingly.

TRAFICC manages products which fall into Short Term Insurance, Long Term Insurance and Maintenance Plan categories. We constantly review the market place to ensure our clients have a package of products that meet the needs of their customers.

In order to identify and mitigate risks that a specific product/service may pose to a particular customer group, we tailor our products to a specific audience, and obtain research from our clients and their customers before launching new products. We aim to ensure that all marketing material is clear, concise and educational to the benefits of the product, so that customers will understand what they are buying. We provide comprehensive sales training to our clients on the suitability of our products for customer segments.

OUTCOME 3 - TRAFICC'S APPROACH TO COMMUNICATION WITH SHAREHOLDERS, CLIENTS AND END-CUSTOMERS.

Policyholders are given clear information and are kept appropriately informed before, during and after the time of entering into a policy.

It is important that clients and end customers understand the nature of the products and services being offered by TRAFICC, and for end customers, how they pay for them. We are always open with our clients and their customers and will, communicate with them on any matters that might affect them.

We keep accurate and adequate records of customer needs and instructions at each stage of the sales process. It is also important that the administration of a client's transaction is carried out efficiently. Accurate records are kept to record all advice and information given and received. Our records are electronic and are kept up to date with advances in technology to ensure the smooth movement of information between stakeholders.

If a customer requires additional information, we are open and responsive to their request, replying in a timely manner. We are mindful of the need to review customer information to ensure its accuracy and to comply with the Data Protection Act. This enables us to respond fairly to customers in the unfortunate event of a dispute. At all times we ensure that client data remains confidential.

OUTCOME 4 - TRAFICC'S APPROACH TO ADVICE AND ADMINISTERING THE SALES PROCESS.

Where policyholders receive advice, the advice is suitable and takes account of their circumstances.

Product sales are made through our clients' outlets and are administered by us. We commit to providing high quality product and product specific training to our clients. We always ensure that information is disclosed in a way that is understandable to our clients and their customers. We ensure fair treatment by declaring the effects of all decisions/disclosures in a clear, concise and easy to understand manner. If any policy exclusions or charges apply, we ensure they are brought to the customers' attention without prompting. We then give them the option to act upon their specific needs, or reject them if they wish, without pressure to proceed. Any advice given from sales stage all the way through to claims stage is fully compliant with FSCA rules and requirements.

OUTCOME 5 - TRAFICC'S APPROACH TO ENSURING THAT PRODUCTS/SERVICES BEHAVE AS WE INTEND.

Policyholders are provided with products that perform as insurers or their representatives have led them to expect, and the associated service is both of an acceptable standard and what they have been led to expect.

We believe that we provide our clients and their customers with products that behave as we have led them to expect and that the service they receive is of a high standard.

Calls are recorded and monitored to ensure that service provided to our clients and their customers is delivered as expected. Feedback is relayed to employees and shareholders if we fall short of this promise to our clients.

Our website is an educational navigation tool to assist clients in understanding our processes and procedures, thereby enhancing the client's expectations.

The claims process is electronic, smooth and effective. Claims settlements or rejections are discussed in an open and transparent manner with clients and their customers.

We acknowledge that the dealings of all staff affect whether customers are treated fairly. Having members of staff who are adequately trained and mature enough to acknowledge whether a task is outside their expertise is important in this regard. Continuous professional development is important for all members of staff to maintain their necessary skills and competence. We are passionate about enabling our staff to obtain credentials in all fit and proper industry requirement examinations.

OUTCOME 6 - TRAFICC'S APPROACH TO DEALING WITH CLIENT COMPLAINTS AND DISPUTES.

Policyholders do not face unreasonable post-sale barriers to change or replace a policy, submit a claim or make a complaint

TRAFICC has in place a written complaints procedure that is updated and sent out to all staff on an annual basis. Staff recognize that disputes are handled sympathetically and that TRAFICC is open and honest about its errors. We recognize that a well-handled complaint can prevent a potentially difficult situation escalating, and can ultimately retain customer loyalty.

We are open in our complaint handling procedures and inform customers of areas outside of their complaint. We have a robust process in place to record all complaints. Regulated complaints are all lodged on Brilliance (Complaints and TCF management system which the Insurer can also access, review and audit). We analyse and address the root causes of all complaints.

We inform customers (before complaint stage) how to lodge a complaint and of the options for further recourse if they are dissatisfied with the outcome of our complaint resolution. All complaints and disputes which are elevated to external parties (OSTI, OLTi and FAIS Ombud) are administered in a professional manner and without delay. TRAFICC's feedback to all parties is delivered in an honest, integrity driven and transparent manner to ensure speedy resolution of these elevated complaints. It is paramount that TRAFICC'S good reputation is upheld and promoted in all matters relating to these governing bodies.

TRAFICC'S GENERAL RISK ASSESSMENT

TRAFICC is committed to the rules and general principles of the FSCA and has close links with its clients. Complaint levels are low. We have excellent recording and administrative systems and regularly review staff competence. We monitor levels of client care on a regular basis, particularly where there is any evidence of client misunderstanding regarding TRAFICC'S products, services, systems and advice process. Good communication with our customers provides a better understanding of their requirements and ultimately builds trust between customers, shareholders and TRAFICC. TRAFICC's remuneration structure is regularly reviewed to ensure that it does not cause any conflicts of interest.

All of the above embodies the TCF initiative and why we assess our TCF risk as low. With guidance from our external compliance officer, Compliserve, and Insurers, Guardrisk Insurance Company Limited and Guardrisk Life, we are committed to ensuring that we continuously monitor management information relating to complaints, claims and policy amendment to identify trends of poor customer treatment and to implement corrective measures to ensure that clients do not face any post sales barriers when dealing with Traficc or our stakeholders.

AVAILABILITY OF THIS POLICY

This policy is available for inspection by the general public, upon request, during office hours and free of charge at the offices of TRAFICC as well as on our website: www.traficc.co.za